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Clients want more from financial services apps, websites
By Rob Burgess
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A recent study found that wealth management clients expect a more personalized digital experience when it comes to mobile apps and websites.

J.D. Power's 2024 U.S. Wealth Management Digital Experience Study reveals a growing number of self-directed investors expect wealth management websites and apps to play a more active role in helping them meet their financial goals, with 44% saying they "strongly agree" with that sentiment — up from 40% a year ago. Among those who expect these digital tools, 30% say their current firms don't deliver on this expectation. The study was based on responses from 5,871 full-service and self-directed investors between June and August.

The study found that, no surprise, both full-service and self-directed investors are more satisfied with wealth managers' web and mobile tools when they deliver beyond the basic or "foundational" financial services.

Experts say firms that seek to capture, retain and serve these technology-savvy clients (who often skew young) would do well to provide the digital tools they desire.

Digital natives demand more mobile access
Said Israilov, a financial planner and wealth manager at Israilov Financial in San Francisco, said he has found that a significant portion of his Gen Z and millennial clients seek digital experiences that reflect their real-time financial metrics.

"Beyond their net worth and portfolio balances, they are looking for a tool to keep track of their overall financial health like liquidity, savings, tax rate and debt ratios," he said.

Alicia Rich, head of client and advisor digital enablement at fintech Broadridge, said so-called "digital natives" — those who were born into or raised in the era of digital technology — will come to expect all brands they interact with, including financial services, to allow complete access from their phones.

"They will demand real-time, deeply personalized experiences and collaboration with their advisor, or advisory firm, for their full financial picture," she said. "But digital natives will not solely rely on mobile tools. The recent financial uncertainty of the past few years validated that even young investors wanted human validation and support, typically relying on technology, including AI to provide the 'how to' but searching out a human to validate the 'why.'"

While most users who engage with digital investing tend to be younger than the

average investor, Kian Sarreshteh, co-founder and CEO of self-directed investment firm InvestiFI (previously known as CryptoFi), said most of the money being invested is coming from people 55 and older.

"We believe more people want control over their investments and prefer a do-it-yourself model, so long there is sufficient guidance and education provided through the digital investment experience," he said.

Advisors turn to digital tools to serve clients' emerging needs

To address this growing need from his clients, Israilov said he sought out a simple yet user-friendly digital platform. In the end, he settled on Elements.

"Elements is a financial planning system that helps advisors assess, benchmark and monitor clients' financial health through an app-based platform," he said. "This has been a game changer to drive client engagement and provide a continuous financial planning experience."

Arielle Tucker, the founder of Connected Financial Planning in Zurich, Switzerland, has lived and worked in Europe for over a dozen years on cross-border financial planning and U.S. tax issues. She said her firm has invested in several client-facing tools as they have seen an increased trend of clients expecting enhanced digital experiences. Her firm uses RightCapital to provide clients with a comprehensive view of their financial plans, investment portfolios and important documents. In addition, she said Zoom Video has become indispensable.

"We work with our clients remotely, so we meet with them over Zoom," she said. "I love that we can also capture in-depth notes to deliver to our clients. We can also easily share screens to present plan information and review documentation."

Tighter cybersecurity can lead to higher client satisfaction

Data security is a significant concern for all clients, Tucker said, especially when accessing financial information digitally. "We track and screen for robust security measures to help ensure the safety of clients' data," she said.

According to the J.D. Power study, overall satisfaction scores are heavily influenced by clients' perceptions of data security. For both full-service and self-directed clients, satisfaction drops when clients are concerned about the security of their personal information.

Tushar Kumar, private wealth advisor at Twin Peaks Wealth Advisors in San Francisco, said his firm has also seen a growing demand from clients for more robust and interactive digital experiences.

"We've observed that clients in their 30s and 40s tend to be more enthusiastic about leveraging digital tools, particularly those that enable asynchronous communication," he said. "Younger clients, in particular, value the flexibility of accessing advice on their schedule, whereas older clients tend to prioritize

traditional communication methods."

As a result, Kumar said his firm made strategic investments to meet these growing expectations. One "key tool" Twin Peaks implemented was the Black Diamond Wealth Platform mobile app.

"Through the app, we can share meeting notes, provide updates on specific investments and post monthly client newsletters directly to their timeline," he said. "These updates are pushed as notifications to clients' smartphones, enabling them to stay engaged with their financial plans wherever they are."

Kumar said his firm has also embraced tools including Loom to improve "unsynchronized" communication.

"For example, we create personalized video walk-throughs of cash flow analyses, home purchase scenarios and retirement plans that clients can review at their convenience," he said. "We've also used Loom to introduce ourselves to prospective clients and share tailored solutions that address their unique financial concerns, helping them move confidently through the decision-making process."